companies. Production from 25 coal blocks has commenced and the production from these coal blocks was 30.02 million tonnes during 2008-09. The allocatees of coal blocks who were allocated coal blocks during the last three years have not started production so far and are in various stages of obtaining statutory clearances and mining lease, preparing mining plan, acquisition of land, procuring machinery and equipment etc. for both mining as well as end-use project. Development of coal blocks involves a gestation period of 3 to 7 years for reaching the production stage and another two to three years for reaching the optimal production capacity. As per the guidelines, coal production from a captive coal block should commence within 36 months (42 months in case the area falls in forest land) in case of open cast mines and in 48 months (54 months in case the area falls in forest land) in case of underground mine, from the date of allocation. If the coal block is not explored, additional two years are allowed for detailed exploration and three months for preparation of geological report.

Appointment of coal regulator

2619. SHRI TARIQ ANWAR : Will the Minister of COAL be pleased to state :

(a) whether Government has decided to appoint a coal regulator;

(b) if so, the likely function of the regulator; and

(c) how it would be helpful in coal mining?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI SRIPRAKASH JAISWAL): (a) The Energy Coordination Committee, headed by the Prime Minister, decided, in its 6th meeting, that the Planning Commission should prepare a paper on appointment of an independent regulator for coal sector. The Planning Commission, in turn, advised the Ministry of Coal to engage a consultant to carry out a study in the matter and to prepare a draft Bill. Accordingly, a draft Bill is being finalized for consideration of the Government for appointment of a regulatory body for coal sector.

(b) The likely functions of the coal regulator may include determination of grades and quality of coal, pricing of coal, authorizing of mining, monitoring, enforcement and compliance of the specified terms and condition of authorization, monitoring and enforcement of closure of mines, setting and enforcement of standards of performance etc.

(c) Appointment of an independent regulator for coal sector would result in more optimal development and conservation of coal resources, more effective regulation, adoption of best mining practices, rational pricing, better distribution, evolution of a more competitive market etc. In addition, the proposed regulatory authority shall also advise the Government on formulation of policies in coal sector including allotment or earmarking of coal block(s) for any purpose through any mode and coal linkage, development of various mining technologies, beneficiation methods to improve mining and conservation of coal resources etc.